

Resume
1.941
S8A982

U. S. DEPT. OF AGRICULTURE
LIBRARY

OCT 11 1961

CURRENT SERIAL RECORDS

FOR RELEASE
MARCH 30, A.M.

AGRICULTURAL OUTLOOK DIGEST

AGRICULTURAL MARKETING SERVICE • U. S. D. A. • WASHINGTON, D. C.

AOD-75 MARCH 1961

An emergency feed grain program was signed into law by the President on March 22. It provides payments to growers who divert part of their corn and sorghum acreage to soil conserving crops.

In early March, before details of the 1961 feed grain program were known, farmers indicated intentions of planting about the same acreage in 1961 as they did last year. But with the new program, plans for certain crops, particularly corn and sorghums, will be subject to change.

A few highlights of growers' plans as of early March: Soybeans--Growers expect to plant a record 26.4 million acres, 9 percent more than last year, and 6 percent above the 1958 high. Corn--Plantings are expected to total 82 million acres, a little less than in 1960, but 2 percent above the 1950-59 average; sorghums may total 19 million acres, 5 percent below a year earlier, and 2 percent below average. Tobacco--Acreage for all types of tobacco is set at 1.2 million acres, 2 percent above 1960, but 20 percent below average.

POULTRY AND EGGS--Generally higher prices in 1960 for eggs, broilers, and turkeys, are stimulating poultrymen to higher production this year. Output of poultry meat in 1961 will top the record levels of a year ago, and egg production will exceed that of 1960.

Egg prices so far in March are running above those of a year ago, but by a narrower difference than in the preceding 6 months. The mid-February U. S. average price to farmers was 39.4 cents per dozen, 1 cent higher than a month earlier, and 10 cents above last year. Second quarter egg prices will be lower than the year before. Because of the prospective increase in egg supply, the seasonal price rise this fall is likely to be smaller than in recent years.

Broiler prices have declined since late February, when they were the highest in 10 months. With the outlook for larger broiler production, prices are likely to be lower than the year before during the summertime period of peak seasonal demand.

LIVESTOCK--Prospects are for relatively stable cattle and hog prices this spring. Marketings of cattle are running above a year ago, and will probably continue above during the next few months. Hog marketings are declining seasonally and will continue below 1960 levels until about mid year.

DAIRY--On March 10, price supports were raised for manufacturing milk to \$3.40 per hundredweight from \$3.22 and for butterfat to 60.4 cents per pound from 59.6 cents. The higher supports mean higher prices to farmers for these products in 1961 and early 1962. With an expected increase in milk production, both cash receipts from dairy products and income to dairy farmers will be higher this year than in 1960.

UNITED STATES GOVERNMENT
LIBRARY

FATS AND OILS--The level of food fat prices has risen over 35 percent since the beginning of the marketing year, the biggest price swing since 1955-56. Main factors: Smaller supplies coupled with record export and domestic demand. Leading the advance are cottonseed and soybean oils closely followed by lard. While prices for these commodities have probably shown their greatest strength, they will still remain firm this spring and summer, averaging well above the same period last year.

Soybean supplies will be somewhat smaller the last half of the 1960-61 marketing year than a year earlier. The supply situation will become tight before new crop beans become available, usually around mid-September.

Crushings of soybeans for oil and meal in 1960-61 will likely total around 400 million bushels compared with 392 million last season. With exports estimated around the 141 million bushels of last season, carryover of about 5 million bushels on October 1, 1961, will be down sharply from the 23 million bushels of a year ago, and the smallest since 1956.

VEGETABLES--Supplies of a number of tender fresh vegetables are much larger this winter than last. These include snap beans, cucumbers, sweet corn, eggplant, green pepper, and tomatoes. Prices for these items are much lower than the relatively high prices of a year earlier.

Production estimates for a few early spring crops indicate asparagus, lettuce, and onions substantially smaller than a year ago; broccoli and cauliflower, moderately smaller. Prospective acreage of early spring tomatoes is about the same as last year; cabbage, a tenth larger.

Supplies of potatoes during the next few months are likely to remain moderately above last year's levels. Prices received by farmers for the next 6 to 8 weeks are likely to remain materially below those of a year earlier.

FRUIT--Demand for Florida oranges, especially by processors, continued seasonally strong during February and March. As a result, remaining supplies are now somewhat smaller than a year ago with prices substantially higher.

The early spring crop of strawberries is expected to be about 23 percent larger than the 1960 crop, mainly because of increased yields per acre. Most of the increase is in Louisiana, with peak movement to market expected in late March.

COTTON--Exports of raw cotton during 1960-61 are expected to total about 6.5 million bales. Exports have been higher only in two other seasons since World War II: In 1959-60, about 7.2 million bales; and 1956-57, 7.6 million bales. Main factors in large exports this season: Record high consumption of foreign mills and some increase in cotton stocks abroad.

WOOL--Production of domestic shorn and pulled wool in 1960 was up 2 percent from 1959. Shorn wool output totaled 267 million pounds; pulled wool, 34 million pounds. In 1961, shorn wool production is expected to be about the same as in 1960.